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only be so regulated to the extent that they handled cherries which were grown in a district subject to regulation as specified in paragraph (a) of this section. In such a case, the handler must place in inventory reserve pursuant to §930.55 or §930.57 or divert pursuant to §930.59 the required restricted percentage of the crop originating in the regulated district.

- (c) Handlers in districts not meeting the production requirement described in paragraph (a) of this section in a given year would not be subject to volume regulation in the next crop year.
- (d) Any district producing a crop which is less than 50 percent of the average annual processed production in that district in the previous five years would be exempt from any volume regulation if, in that year, a restricted percentage is established.
- (e) The Board, with the approval of the Secretary, may establish rules and regulations necessary and incidental to the administration of this section.

[61 FR 49942, Sept. 24, 1996 as amended at 67 FR 51714, Aug. 8, 2002]

§ 930.53 Modification, suspension, or termination of regulations.

- (a) In the event the Board at any time finds that, by reason of changed conditions, any regulations issued pursuant to §930.44 or §930.51 should be modified, suspended, or terminated, it shall so recommend to the Secretary.
- (b) Whenever the Secretary finds, from the recommendations and information submitted by the Board or from other available information, that a regulation issued pursuant to \$930.44 or \$930.51 should be modified, suspended or terminated with respect to any or all shipments of cherries in order to effectuate the declared policy of the Act, the Secretary shall modify, suspend, or terminate such regulation.

§ 930.54 Prohibition on the use or disposition of inventory reserve cherries.

Cherries that are placed in inventory reserve pursuant to the requirements of §930.50, §930.51, §930.55, or §930.57 shall not be used or disposed of by any handler or any other person except as provided in §930.50 or in paragraphs (a), (b), or (c) of this section.

- (a) If the Board determines that the total available supplies for use in commercial outlets are less than the amount needed to meet the demand in such outlets, the Board may recommend to the Secretary that a portion or all of the primary and/or secondary inventory reserve cherries be released for such use.
- (b) The Board may recommend to the Secretary that a portion or all of the primary and/or secondary inventory reserve cherries be released for sale in certain designated markets. Such designated markets may be defined in terms of the use or form of the cherries
- (c) Cherries in the primary and/or secondary inventory reserve may be used at any time for uses exempt from regulation under §930.62.
- (d) Should the volume of cherries held in the primary inventory reserves and, subsequently, the secondary inventory reserves reach a minimum amount, which level will be established by the Secretary upon recommendation from the Board, the products held in the respective reserves shall be released from the reserves and made available to the handlers as free tonnage.

[67 FR 51714, Aug. 8, 2002, as amended at 75 FR 33678, June 15, 2010]

EDITORIAL NOTE: At 66 FR 232, Jan. 3, 2001, in §930.54 paragraph (a), the word "normal" was suspended indefinitely.

$\S 930.55$ Primary inventory reserves.

- (a) Whenever the Secretary has fixed the free market tonnage and restricted percentages for any fiscal period, as provided for in §930.51(a), each handler in a regulated district shall place in his or her primary inventory reserve for such period, at such time, and in such manner, as the Board may prescribe, or otherwise divert, according to §930.59, a portion of the cherries acquired during such period.
- (b) The form of the cherries, frozen, canned in any form, dried, or concentrated juice, placed in the primary inventory reserve is at the option of the handler. The product(s) placed by the handler in the primary inventory reserve must have been produced in either the current or the preceding two crop years. Except as may be limited